

MARICOPA COUNTY FLOOD CONTROL DISTRICT BOARD OF DIRECTORS MINUTE BOOK

**FORMAL SESSION
June 7, 2006**

The Board of Directors of the Flood Control District of Maricopa County, Arizona, convened in Formal Session at 9:00 a.m., June 7, 2006, in the Board of Supervisors' Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman, District 2; Andrew Kunasek, District 3, Max W. Wilson, District 4, and Mary Rose Wilcox, District 5. Absent: Fulton Brock, Vice Chairman, District 1. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Manager; Bruce White and Victoria Mangiapane, Deputy County Attorneys. Votes of the Members will be recorded as follows: aye-nay-absent-abstain

PERSONNEL AGENDA

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to approve the Flood Control District Personnel Agenda (Exhibit C). Exhibit C will be found at the end of this set of minutes.

EASEMENTS AND RIGHT-OF-WAY ACQUISITION DOCUMENTS

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to approve easements and right-of-way acquisition documents, appraisal and relocation assistance services contracts under \$5,000 per Resolution FCD 87-12; Escrow Instructions per Resolution FCD 87-13; Payment of Tax Notices per Resolution FCD 97-07; License Procedures and Fee Schedules per Resolution FCD2002R002; and disposal of easements, excess real property and fixtures under \$250,000 documents per FCD 1999R016 for Flood Control purposes. (ADM1910)

Bullard Wash Phase II [I-10 Basins] (Per: Resolution FCD 2000R016A)

Item A004.001, 002, 003, 004, 005A, 005B [PE]; Permanent Drainage Easement and Agreement for Flood Control Purposes from the City of Avondale to the Flood Control District of Maricopa County for the sum of \$1.00 per IGA FCD 2003A011.

83rd Avenue and Pinnacle Peak Road Project (Per Resolution FCD 2001R012)

Item FA024.046, Permanent Storm Drain Easement and Agreement for Flood Control Purposes from Deer Valley Estates Community Association, Inc. an Arizona non-profit corporation to the Flood Control District of Maricopa County for the sum of \$2,150.00.

Item FA024.046, Purchase Agreement and Escrow Instructions

Item 201-15-006G, Letter Agreement for a Temporary Ingress and Egress Permit from Cathy J. Pascal to the Flood Control District of Maricopa County for the sum of \$100.00.

Property Management - Buckeye FRS #2 (Per Resolution FCD 1999R016)

Item BW-70-EX, Quit-claim Deed from the Flood Control District of Maricopa County to RBF Consulting, a California corporation for the sum of \$130,000.00

Item BW-70-EX, Escrow Instructions

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Property Management – Laveen Area Conveyance Channel (Per Resolution FCD 1999R016)

Item A001.005, Drainage Easement from the Flood Control District of Maricopa County to the Salt River Project Agricultural Improvement and Power District for the sum of \$1.00.

Reems Road Channel and Basin Project (Per: Resolution FCD 2002R014)

Item A022.009, Temporary Construction Easement and Agreement for Flood Control Purposes from the United States of America to the Flood Control District of Maricopa County at no cost to the District

PERFORMANCE-BASED SALARY ADVANCEMENT PLAN

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to amend the "FY 2006-07 Performance-Based Salary Advancement Plan" for the Maricopa County Flood Control District to allow for one-time lump sum performance payments to eligible employees who are at the maximum of their salary range (i.e., "redlined" employees). Individual increases may not exceed 3.5% of the individual's base rate of pay. The provisions of this document supersede Section VI, Paragraph A of the Maricopa County Compensation Plan, entitled "Salary Advancements". (C4906029602) (ADM1900-001)

FY 2006-07 Performance-Based Salary Advancement Plan

(Approved by the Board on March 15, 2006, amended on May 17, 2006, and again on June 7, 2006.)

Purpose:

The purpose of this plan is to recognize employees' performance in an equitable manner so that they will be motivated to continue to perform.

Background:

The compensation strategy described in this document is a continuation of the pay for performance compensation strategy began in FY 2004-05, which facilitated the County moving to a more regular compensation funding and distribution system.

There are two compensation options identified. The first provides permanent salary adjustments to eligible employees who are below the maximum of their salary range. The second provides a one-time lump sum payment to eligible employees who are at the maximum of their salary range (i.e., "redlined" employees).

Applicability:

The guidelines and process outlined in this plan will apply to all performance-based salary advancements awarded in FY 2006-07. No performance-based salary advancements will be awarded outside of this process. Participation in this process is a condition for Board appropriation of funds. For elected and judicial branch agencies, the Office of Management and Budget may approve minor variances from specific guidelines in this plan if they are consistent with the overall direction, and there is no increased annualized budgetary impact.

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Upon adoption by the respective boards of directors for the Flood Control District, Stadium District and Library District, the references herein to County departments shall be deemed to refer to the special district as appropriate.

Employee Eligibility:

Employees will be eligible for performance-based salary advancements if they meet the following criteria:

- a) Employed on a full or part-time basis in classified, unclassified or contract status; temporary employees are not eligible.
- b) Employed continuously in their current position/job title for at least one year as of the effective date of their salary advancement. Salary advancements for employees eligible mid-year will be pro-rated based on the remaining time in the fiscal year.
- c) Employed by any County department except the Maricopa Managed Care System.
- d) Have a current performance appraisal (completed within the last 12 months) on file in Human Resources as of the effective date of the salary advancement, with a performance rating of 3 (Meets or Base Performance) or higher.
- e) May not be on initial or performance probation as of the effective date of their salary advancement.

Employees will be eligible for a performance-based, one-time lump sum payment if they meet the following criteria:

- a) Must be "redlined" – that is, earning at or above the maximum salary allowable for their position based on a market analysis completed and implemented by the Employee Compensation Division.
- b) Employed on a full or part-time basis in classified, unclassified or contract status; temporary employees are not eligible.
- c) Employed continuously in their current position/job title for at least one year as of the effective date of their salary advancement.
- d) Employed by any County department except the Maricopa Managed Care System.
- e) Have a current performance appraisal (completed within the last 12 months) on file in Human Resources as of the effective date of the salary advancement, with a performance rating of 3 (Meets or Base Performance) or higher.
- f) May not be on initial or performance probation as of the effective date of their salary advancement.

Department Expenditure Caps:

The annualized cost of each department's implementation plan for performance-based salary advancements may not exceed not more than 3.5% of its budgeted regular salaries and associated variable benefits by fund (excluding amounts budgeted for positions with salaries defined by statute, such as elected officials, and executive-level positions, which will be funded centrally).

Employee Award Guidelines:

Eligible employees will receive performance-based salary adjustments based on their current performance evaluation. Increases will be applied to the employee's current base salary (unless the employee is over the maximum pay rate for their position). Within a department, the highest percentage increase awarded to any employee with a specific performance rating must be less than the lowest percentage increase awarded to any employee with the next highest performance rating. For example,

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an employee with a rating of "3" may not receive a 5% increase if any other employee in the same department with a rating of "4" is to receive an increase of less than 5%.

Although performance increases must average not more than 3.5% in order for departments to stay within their funding allocation, individual increases may and should vary from this amount based on individual performance ratings. Please note that performance increases exceeding 10% will require approval by the Compensation Review Committee prior to inclusion on the personnel agenda, which may delay implementation of these increases.

Employees eligible for performance-based, one-time lump sum payments will receive them based on their current performance evaluation. Individual increases may not exceed 3.5% of the individual's base rate of pay. Within a department, the largest one-time payment awarded to any employee with a specific performance rating must be less than the smallest one-time payment awarded to any employee with the next highest performance rating. For example, an employee with a rating of "3" may not receive a larger incentive payment than any other employee in the same department with a rating of "4" or higher.

Allocation Guidelines:

Given that pay increases will be based solely on performance, department directors are strongly encouraged to meet with their managers and supervisors regarding standards and expectations for performance plans and appraisals. Supervisors and managers are encouraged to attend County-sponsored training on this topic. Managers and supervisors should evaluate employees based on established performance plans, which tie directly to the department's strategic plan and goals. Employees should be evaluated on criteria that are objective and measurable. All employees must be rated on the County's standard five-point scale, unless an exception is requested and granted by the Human Resources Department.

It should be noted that funds have been earmarked in FY 2006-07 to cover market adjustments for some staff. Departmental management is encouraged to communicate with the Employee Compensation Division within OMB on market-based salary concerns. All requests will be prioritized based on demonstrated recruitment and retention difficulties, as well as impact on service delivery and ability to meet departmental goals. Please do not attempt to address market-based salary issues through the performance pay process.

Funding Allocation:

Departments' expenditure appropriated budget targets will be adjusted as necessary to fund implementation of this approved performance-based salary adjustment plan, **not to exceed 3.5%** of budgeted regular salaries and associated variable benefits by fund (excluding amounts budgeted for positions with salaries defined by statute and executive-level positions).

Effective Dates:

For initially eligible employees, salary advancements will be effective July 3, 2006. For employees who become eligible later in the fiscal year, effective dates may be at the beginning of the next pay period after their eligibility date up to June 30, 2007.

Approval and Implementation:

1. Departments will be provided a standardized spreadsheet which lists all employees. Departments are expected to verify that all employees are included, and that employee-level information (such as position, position entry date, etc.) is correct, and indicate each employee's

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performance rating. Spreadsheets will be submitted to OMB, Employee Compensation Division for review. Copies of employee evaluations should be sent to Employee Records prior to submission of the pay for performance spreadsheet in order to document the ratings listed in the spreadsheet.

2. OMB will review each department's implementation plan for completeness and adherence to the approved guidelines. Funding will be reserved for employees with less than one year in their position.
3. Once a department plan is approved, the Office of Management and Budget will work with departments to implement the salary advancements as soon as possible. Retroactive pay will be provided if adjustments cannot be implemented by the targeted effective date.

WHITE TANKS FLOOD RETARDING STRUCTURE

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to award contract FCD 2005C019, White Tanks Flood Retarding Structure (FRS) #3 - North Inlet Channel Project to Ames Construction, Inc., in the amount of \$6,242,823. The engineer's estimate was \$5,615,127; the apparent low bid was \$6,242,823, or 11.2% above the engineer's estimate. An increase in construction costs in the Phoenix metropolitan area, in particular for cement and concrete, are having an affect on construction contract bid prices. (C6906041501)

FUNDING AMENDMENT

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to approve the funding of the ACDC/Skunk Creek Erosion Repair New River to 75th Avenue through the District's FY 2006-07 CIP Budget and rescind the terms stated in Agenda Item C6906056500, which requested approval for the repair to be funded through the District's Operating Budget. Provision for the expenditure will be made prior to the CIP Budget finalization. On January 18, 2006, The Board of Directors of the Flood Control District of Maricopa County approved Agenda Item C6906056500, authorizing the Flood Control District to issue an Invitation for Bids for contract FCD 2005C001, ACDC/Skunk Creek Erosion Repair New River to 75th Avenue (F362), and to award the contract to the lowest responsive, responsible bidder provided the bid was not more than 10% over the engineer's estimate. The intent when Agenda Item C6906056500 was submitted and approved was to fund the repair effort through the District's Operating Fund (Department 690) (Fund 991). The Invitation for Bids has not been issued. Subsequent engineering evaluation of the repair work required has indicated that the cost to repair the structure will be greater than first anticipated and should therefore, be funded through the District's Capital Improvement Program Budget Department (690) Fund (990). (C6906056501) (ADM1900-003)

ADJUSTMENTS TO THE CIP EXPENDITURES BUDGET

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to approve adjustments to the current FY 2005-06 Capital Improvements Program expenditures budget of the Flood Control District of Maricopa County, Department (690), Fund (990). The request for adjustment is the result of changes that have occurred in the design and construction schedules for a number of the District's major capital projects. The requested adjustments have been planned to achieve maximum utilization of the District's current budgeted funds over the remainder of FY 2005-06. The requested adjustments are as follows:

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Project No.	Project	Adjustment
117	South Phoenix Drainage Improvements	<\$80,000>
120	Paradise Valley, Scottsdale, Phoenix	\$409,000
121	East Maricopa Floodway	\$1,505,000
126	Tres Rios	<\$34,000>
201	White Tanks Dam FRS #4	<\$20,000>
202	McMicken Dam	\$99,000
207	Buckeye FRS #1	<\$10,000>
300	Spook Hill FRS & Outlet	\$3,000
343	Wickenburg ADMP	<\$319,000>
344	Wittmann ADMP	<\$20,000>
346	Hassayampa River	<\$205,000>
371	Upper New River ADMP	\$1,000
400	Skunk Creek / New River	\$186,000
401	Agua Fria Flowage Easements	<\$17,000>
420	Spook Hill ADMP	\$683,000
442	East Mesa ADMP	<\$19,000>
450	Glendale / Peoria ADMP	<\$219,000>
470	White Tanks ADMP	<\$2,816,000>
480	Queen Creek ADMP	<\$76,000>
491	Higley ADMP	<\$5,000>
520	Adobe Dam ADMP	\$9,000
565	Durango ADMP	<\$2,301,000>
580	ACDC ADMP	\$28,000
590	Scatter Wash Channel	<\$688,000>
620	Maryvale ADMP	\$3,103,000
625	Metro ADMP	<\$11,000>
	CIP Project Reserve	\$814,000

The net requested budget adjustment is zero. (C6906081M00) (ADM1900-003)

10TH STREET WASH IMPROVEMENTS PROJECT

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to authorize the Flood Control District of Maricopa County to issue an Invitation for Bids for Contract FCD 2006C009, 10th Street Wash Improvements Project #580, and to award the contract to the lowest responsive responsible bidder if the bid is not more than 10% higher than the engineer's estimate. (C6906082500)

AMENDMENT TO JOINT USE AGREEMENT

Motion was made by Director Wilcox, seconded by Director Wilson, and unanimously carried (4-0-1) to approve and execute the Amendment No. 3 to the original Joint Use Agreement, adopted September 8, 1981 (C69990910), between Maricopa County, acting through its Parks and Recreation Department and the Flood Control District of Maricopa County. The original agreement, as amended, did not provide terms and conditions for TERM or TERMINATION and other provisions that require updating. (C6999091001)

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MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board